

CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

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Report prepared by []
of [] CRANGLED.

[] re acquisition

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On 3 January 1953 [] as directed to procure a ship capable of delivering the materiel stored at DTRCBALO.

On 7 January 1953 [] expressed dissatisfaction with the methods being employed in procurement of the ship. [] proceeded to Washington and a series of conferences (from which [] excluded) were held here.

On 10 January 1953 [] was sent out to procure a suitable ship, but by 21 January 1953 it became obvious that he could not accomplish this mission.

Continuing efforts to procure a suitable ship were carried out by members of the [] and DTRCBALO, but without success.

On 25 February 1953 [] was directed to proceed to DTRCBALO and effect the procurement of a suitable vessel, to be ostensibly a training ship for DTRCBALO, and to be ready for sailing by 8 March 1953.

Upon arrival at DTRCBALO on 27 February 1953 [] found that []

[] (who was to pass on the suitability of the ship) was in Costa Rica inspecting a ship there which had been located by [] men. [] also learned that a ship [] previously inspected by [] and declared to be adequate, was available in Panama. [] checked carefully with [] as to the suitability and condition of the [] and was assured that the [] had been carefully and thoroughly inspected by [] and recommended by him, that all shipping authorities in the area considered it to be the best ship available, and that []

[] people who had recently overhauled the ship considered that it was a good buy. [] further ascertained that none of the other vessels which had been looked at and could be procured securely were both adequate for the mission and could be procured in time to come close to the deadline.

[] returned to DETROIT on 28 February 1953 and reported that the vessel he had inspected in Costa Rica would satisfy only minimum requirements and that the [] was an infinitely superior craft and a much better buy. (The price on the Costa Rican craft had gone up to about \$30,000 as against original cost of \$20,000 reported by [] m/17 Feb. 53.)

[] reported further that the Costa Rican vessel could not be procured and in place in time to come close to the deadline and would require some refurbishment after its arrival before he would consider taking it out.

[] went on to say that considerable risk would be involved in attempting the mission with the single-engined Costa Rican vessel, but that he would sail it if so ordered.

The [] availability had already been determined. []

[] were questioned at length as to its suitability and condition and as to the advisability of having a further inspection of the vessel made. In view of the fact that both [] were emphatic as to the condition and adequacy of the [] and were in a position to know it well [] is a reserve Commander in the Navy who has had considerable sea duty and is a graduate and practicing engineer, and both he and [] were in close touch with [] people who had worked on the [] and since time was tight, it was decided to push the procurement of the [] over the Saturday, Sunday and Monday holidays without waiting for further opinions. (The [] was scheduled to sail with a ^{commercial} cargo on Tuesday 3 March.)

One of [] undercover agents arranged to purchase the [] in his own name, retain it under the Panamanian flag, and turn it over to DETROIT, ostensibly for trial as a training vessel. His story was, and is, that he had the opportunity to either sell it to DETROIT at a profit or at least to have it improved at no expense to himself if DETROIT decided against

The purchase of the [] man was successfully completed by the afternoon of 3 March and it was turned over to [] and a skeleton crew to be move to DTROBALO.

After some difficulty in getting the anchor in, [] got under way after dark and hung the [] on a sand bar before clearing the anchorage. A Navy tug pulled the ship off the sand bar on the following morning. During the tug operations the [] work-boat was swamped and demolished because [] neglected to have it taken aboard. Upon arrival at the DTROBALO dock [] nosed the [] into the bank on his first docking attempt, and on the second try ran into and demolished a section of the old dock.

Discussion of the ship's condition with [] the engineer, developed that it was far from the vessel represented to []

[] However, [] felt that it would serve and immediately set to work to bring it up to shape. [] still insisted that the [] could accomplish the mission without major repairs and both [] felt that [] was too pessimistic in his appraisal. Even after [] engineers estimated that very considerable time, effort and expense would be required to put the [] in shape [] refused to accept the apparent fact that the vessel was in bad shape. [] promised that he could "get it there and bring it back" if given a little time and a little support.

The effort and ingenuity displayed by [] during the next month in their work on the [] seldom been surpassed. These men spent up to 20 hours each day, 7 days each week, under adverse conditions, in heavy and difficult work which to [] and [] was unfamiliar and in which [] had not engaged in some time in other than a supervisory capacity. [] local connections and

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ingenuity proved to be of great value in procuring parts and assistance from Army, Navy. [] Repacking and loading of materiel was carried out at night by DTROBALO personnel after performing their regular daytime duties. With the combined efforts of everyone concerned the [] as test run, loaded and ready to sail within days of the deadline. The test run was quite successful and [] expressed himself as well satisfied with the ship. However, [] pointed out many deficiencies and a program was laid out designed to correct these deficiencies as rapidly and economically as possible, while keeping the ship in condition to sail on short notice. Until [] departure from DTROBALO on 26 March every effort was made to bring the [] to the best possible condition. Upon [] departure it was understood that these efforts would continue.

After [] departure there was a considerably slackening in the support afforded to [] by DTROBALO. Renewed, although less than enthusiastic, support was achieved between 8 and 18 April when [] was again at DTROBALO. However, little real work was done on the after [] departure for the second time, and after [] departure on 5 May [] ^(with almost no help) was barely able to maintain the ship. This, in spite of the fact that specific instructions for support of [] had been left with the Chief, DTROBALO. *f had been initiated by a cable from EWB.*

While it is difficult to understand why [] could have recommended the ship in the first place and why he appeared so unconcerned about putting the ship in condition, there may be an explanation. It may be that [] is so incompetent as a seaman that he did not recognize the poor condition of the [] and that he had been misinformed as to her condition by his friends in the [] There is no question but that he was perfectly willing to undertake the mission with the [] in the

condition in which she was received on 3 March.

[] Enthusiasm for the ship can be explained by his desire always to be right. He found her ^{early} in January, highly recommended by supposedly competent people. In February, after 7 weeks of considerable effort, no other suitable craft had been located. Here was [] chance to prove that he was right in the first place. There is no slightest doubt that [] was convinced that the [] was more than adequate to accomplish the mission and that she was a good investment from a monetary standpoint.

L unquestionably based his appraisal of the [] on the inspection made by [] and the reports he had had on the vessel from the []

] Did someone steer him wrong or did he hear only that which he wished to hear from the people he talked to?

[] was the first person of all those involved who saw the [] for what she really was. Even he felt that she could accomplish her mission. The real lesson in this whole fiasco is that the best talent in the Agency should be employed where ~~their~~ specialties are required and that the degree of ~~their~~ talent should be definitely ^{established} ~~known~~ before they are employed.